



FORM
IT-41
Revised 10-01
SF 11458

INDIANA DEPARTMENT OF REVENUE

FIDUCIARY INCOME TAX RETURN

For the calendar year ending A or fiscal year beginning B and ending C

-Do not write in the space below-

D Name of Estate or Trust		
E Name and Title of Fiduciary		
F Address		
G City	H State	I Zip Code

Federal Identification Number J	Check Applicable Boxes O <input type="checkbox"/> Retirement Plan P <input type="checkbox"/> Estate Q <input type="checkbox"/> Simple Trust R <input type="checkbox"/> Complex Trust S <input type="checkbox"/> Bankruptcy Estate T <input type="checkbox"/> Grantor Trust U <input type="checkbox"/> Other _____	Check Applicable Boxes Is a 990T filed for Federal purposes? Y <input type="checkbox"/> Yes CC <input type="checkbox"/> No Was a final Individual Return filed for decedent? Z <input type="checkbox"/> Yes DD <input type="checkbox"/> No Has an Indiana Inheritance Tax Return been filed? AA <input type="checkbox"/> Yes EE <input type="checkbox"/> No Is there a nonresident beneficiary? BB <input type="checkbox"/> Yes FF <input type="checkbox"/> No
Date Entity Created K	If Trust, check which type. V <input type="checkbox"/> Testamentary W <input type="checkbox"/> Inter vivos X <input type="checkbox"/> Number of Schedule K-1s Attached _____ (see instructions)	Check applicable Boxes GG <input type="checkbox"/> First Return HH <input type="checkbox"/> Final Return II <input type="checkbox"/> Amended Return Change in Fiduciary's JJ <input type="checkbox"/> Name or KK <input type="checkbox"/> Address
Date of Decedent's Death L		
Decedent's Social Security Number M		
Grantor's Social Security Number: N		



INCOME AND INDIANA ADDITIONS	1. Taxable Income of Fiduciary from Federal Form 1041 or Unrelated Business Taxable Income from Federal Form 990T	1.		
	2. Federal Deductions Allocable to Tax-Exempt Income	2.		
	3. Lump Sum Distribution from Federal Form 4972	3.		
	4. Net Operating Loss Deduction from Federal Form 990T	4.		
	5. Total Income (Add lines 1 through 4)	5.		
INDIANA DEDUCTIONS	6. Interest on U.S. Obligations Reported on Federal Return	6.		
	7. Non-Indiana Fiduciary Income	7.		
	8. Enter Indiana Portion of Net Operating Loss Deduction (Attach Schedule IT-40NOL, see instructions)	8.		
	9. State Taxable Income (Line 5 minus lines 6 through 8)	9.		
TAX COMPUTATIONS	10. State Adjusted Gross Income Tax (3.4% of line 9)	10.		
	11. Additional Tax	11.		
	12. Total Tax (Add lines 10 and 11)	12.		
CREDITS	13. Fiduciary Estimated Tax Paid	13.		
	14. Other Credits (previous payment, withholding credit Form WH-18, etc)	14.		
	15. Total Credits (Add lines 13 and 14.)	15.		
	16. Balance of Tax Due (If line 12 is greater than line 15, enter the difference)	16.		
	17. Penalty If paying late enter (10% of line 16). If line 16 is zero, enter \$10.00 per day filed past original due date (see instructions)	17.		
	18. Interest Contact the Department for current interest rate	18.		
	19. Total Amount Due Add lines 16 through 18 PAYMENT DUE	19.		
	20. Refund Due If line 15 is greater than line 12, enter the difference) REFUND	20.		

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Turn over to the back for Signatures

Make your check or money order payable to: **INDIANA DEPARTMENT OF REVENUE.**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. If prepared by a person other than the taxpayer, this declaration is based upon all information of which the preparer has any knowledge.

Mail completed return to: Indiana Department of Revenue Fiduciary Section P.O. Box 6079 Indianapolis, IN 46206-6079	Signature of Fiduciary or Officer 	Telephone Number		Date	DO NOT WRITE BELOW	
	Signature of Preparer 	Telephone Number		Date		
	Preparer's Address PP	Preparer's Identification Number QQ			21.	
	City RR	State SS	Zip Code TT	22.		
				23.		
				24.		

-Do Not write in the space below-

GENERAL INSTRUCTIONS FOR INDIANA FIDUCIARY FORM IT-41

WHO MUST FILE FORM IT-41:

General Fiduciary Filing Requirements

1. Every resident estate or trust having for a taxable year any gross income from sources within the state of Indiana must file Form IT-41 using the same filing period as reported on the Federal Form 1041.
2. Every nonresident estate or trust having for the taxable year any gross income within the State of Indiana must also file a Fiduciary Form IT-41.
3. Every retirement plan having income from sources within the state of Indiana who is taxed as a trust filing Federal Form 990T, must file using Form IT-41.

Common trust funds will file a Partnership Form IT-65 and will attach to the form a list showing each participant's name, address, social security number, and the amount of taxable income or loss (exclusive of gains or losses from sales or exchanges of capital assets) and the participant's share of gains or losses from sales or exchanges of capital assets.

Income taxable to a grantor must be reported on a separately prepared information sheet which discloses income and deductions attributable to the grantor. The information sheet should be attached to Indiana Fiduciary Form IT-41. Except for purposes of identification, Form IT-41 should not be completed by the grantor for the income or applicable nonitemized deductions. Rather, the grantor should report all income on his Individual Resident Income Tax Return, Form IT-40, or in the case of a nonresident, on Form IT-40PNR. Indiana income taxable to a Corporation should be reported on the grantor's corporate return by filing an IT-20 or IT-20SC.

A resident guardianship having gross income exceeding its exemptions for the taxable year will report its income on Individual Income Tax Form IT-40. A nonresident guardianship with Indiana income must file Part-Year/Nonresident Form IT-40PNR.

WHEN TO FILE:

This return must be filed by the fifteenth (15th) day of the fourth (4th) month following the close of the taxable year. For retirement plans filing Federal Form 990T, the return must be filed by the fifteenth (15th) day of the fifth (5th) month.

If the estate or trust is entitled to receive a refund, a completed photostatic copy of Form 1041, U.S. Income Tax Return for Estates and Trusts, plus all supporting schedules must be provided.

ESTIMATED PAYMENTS:

Indiana does not require trusts and estates to make fiduciary estimated payments. Fiduciaries electing to make estimated payments must use Form IT-41ES (Fiduciary Estimated Tax and Extension Payment Voucher).

EXTENSIONS:

If an estate or trust is unable to complete the return by the due date, the fiduciary may request an extension of time to file. To obtain an extension, the fiduciary must attach to Form IT-41 a copy of the approved request for extension for filing the federal fiduciary return and make a payment of at least 90% of the estimated Indiana tax liability. The extension payment is remitted on Form IT-41ES, available from the Department.

FINAL RETURNS:

1. When an estate or trust is to be terminated, or is required to distribute current income during the taxable year and there is distributable net income, the distributable net income is allocated to the beneficiaries. The beneficiaries must report their respective shares on their Indiana Individual Income Tax Return, Form IT-40, or Part-Year/Nonresident Individual Income Tax Return, Form IT-40PNR, or in case the beneficiary is not a natural person, on the appropriate forms. **Check box on the front of the return if this is a final return.**
2. If a final distribution of assets has been made during the year, all income of the estate or trust must be reported to the beneficiaries.

AMENDED RETURNS:

All amended returns must be accompanied by a copy of the amended Federal Fiduciary Return (Federal Form 1041) or Federal Form 990T, if applicable. **Check box on the front of the return if this is an amended return.**

Answer all questions in the heading of the return.

A copy of Federal Schedule K-1 filed for each beneficiary **MUST** be attached to the return.

Amounts may be rounded to the nearest dollar.

-LINE BY LINE INSTRUCTIONS-

Line 1- Enter taxable income (after exemptions) from Federal Form 1041 OR if filing as a retirement plan and taxable as a trust filing Federal Form 990T enter the unrelated business taxable income. If the fiduciary reports no taxable income due to distributions, enter zero.

Line 2- Deductions allocable to tax exempt income must be used only against tax exempt income. Therefore, if interest on U.S. Obligations is excludable on the Indiana Fiduciary Return, expenses related to such tax exempt income must be added back to taxable income for Indiana purposes.

If expenses cannot be allocated, a ratio should be used to compute the percentage of allowable deductions.

Line 3 - Enter the amount of lump sum distribution (net of allocable federal estate tax) reported on Federal Form 4972.

Line 4 - Add back the net operating loss deduction claimed on Federal Form 990T. The Indiana portion of the net operating loss deduction may be claimed on Line 8.

Line 5 - Add Lines 1 through 4. Enter the amount.

Line 6 - Deduct interest on U.S. Obligations that is nontaxable by Indiana only to the extent that such income was reported on line 1 (See instructions for Line 2).

Line 7 - Nonresidents may enter that portion of federal fiduciary taxable income not apportionable or allocable to Indiana. **A separate schedule must be attached, stating to which state income was attributed.**

Line 8- **Federal 990T filers only** enter Indiana portion of net operating loss deduction and attach Schedule IT-40NOL . Please review Schedule IT-40NOL and instructions before entering an amount.

Line 9- Enter State Taxable Income. (Line 5 minus lines 6 through 8)

Line 10- For tax year beginning after June 30, 1987, multiply the amount on line 9 by 3.4% (.034). For applicable rates prior to calendar year 1988, contact the Fiduciary Tax Section at (317) 232-2067.

Line 11- Enter any applicable additional taxes.

The purchase of all tangible personal property to be used by the fiduciary is subject to either the Sales or Use tax. If the sales tax is not paid at the time of purchase, the buyer is liable for payment of the use tax at the rate of 5% of the total purchase price.

Report tax due on Indiana portion of income from an Electing Small Business Trust (ESBT). Attach the tax computation to the return.

Line 12- Add lines 10 and 11. Enter the result.

Line 13- Enter the total amount of fiduciary estimated payments made during the taxable year by the fiduciary. Any individual estimated tax paid cannot be claimed on the IT-41 return.

Line 14- Enter all other credits, including college credit. If the college credit is claimed, attach Form CC-40. If withholding credit is claimed, attach Form WH-18. Attach an explanation for all other credits.

Line 15- Add lines 13 and 14. Enter the result.

Line 16- Subtract line 15 from line 12. Enter the result.

Line 17- Enter the penalty amount which applies:

1. If the return with payment is paid after the original due date, a penalty which is the greater of \$5.00 or 10% of the balance of tax due (line 16) must be entered. The penalty for paying late will not be imposed if all three of the following conditions are met:
 - (a) Valid extension of time to file exists;
 - (b) At least 90% of the tax liability was paid by the original due date; and,
 - (c) The remaining tax is paid by the extended due date.
2. If the return showing no tax liability (line 16) is filed late, the penalty will be \$10 for each day that the return is past due up to a maximum of \$250.00.
3. There is also a separate penalty for filing a copy of Federal Schedule K-1 information return late. A penalty of \$10 for each K-1 filed late, not to exceed \$25,000 in any one (1) calendar year.

Line 18- For the current interest rate, contact the Department of Revenue.

Line 19- Total amount owed: Add lines 16 through 18.

Line 20- If line 15 is greater than line 12, enter the difference.

NONBUSINESS INCOME:

Nonbusiness income derived from sources within the State of Indiana is taxable to nonresident estates or trusts or to nonresident beneficiaries of resident or nonresident estates or trusts to the extent that such income is allocated to the State of Indiana in accordance with the following:

1. Net rents and royalties from tangible personal property are allocated to Indiana to the extent that the property is utilized in Indiana, or their entirety if the taxpayer's commercial domicile is in Indiana and the taxpayer is not taxable in the state of utilization.
2. Net rents and royalties from real estate located in Indiana are allocated to Indiana.
3. Capital gains and losses from sales of real estate are allocated to Indiana if the real estate is located in Indiana.
4. Capital gains and losses from sales of tangible personal property are allocated to Indiana if the property had a situs in Indiana at the time of sale, or the commercial domicile of the taxpayer is in Indiana and the taxpayer is not taxable in the state in which the property had a situs.
5. Capital gains and losses from the sale of intangible personal property are allocated to Indiana if the taxpayer's commercial domicile is in Indiana and if the intangible personal property was controlled from Indiana.
6. Interest and dividends are allocated to Indiana if the taxpayer's commercial domicile is in Indiana. Dividends from Indiana S Corporations are taxable to nonresidents. The interest and dividends are taxable to Indiana if the income was controlled from Indiana.
7. Patent and copyright royalties are allocated to Indiana to the extent that the patent or copyright is utilized in Indiana, or if the commercial domicile of the taxpayer is in Indiana and the taxpayer is not taxable in the state where the patent or copyright is utilized.

WITHHOLDING REQUIREMENTS:

The fiduciary is required to withhold on distributions to nonresident beneficiaries at the rate of 3.4% (.034) on all business income and all nonbusiness income allocated to Indiana. Note, however, that nonbusiness interest and dividends resulting from investments of the trust or estate are not allocable to Indiana if they are distributed to a beneficiary who is not a resident of Indiana at the time of distribution. To open a withholding account, contact the Indiana Department of Revenue, Taxpayer Services Division, Indiana Government Center North, Room N105, Indianapolis IN 46204-2253, or by calling (317) 233-4016.

Nonresident beneficiaries may claim credit on Indiana Nonresident Form IT-40PNR for income tax withheld by the fiduciary. Indiana Form WH-18 must be attached to the return.

For additional information on fiduciaries, refer to Income Tax Information Bulletin #1.

(The bulletin is available on the Internet at www.in.gov/dor)